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Carol X Weakley 09/22/2006 03:11:30 PM From DB/Inbox: Carol X Weakley

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UNCLAS TEL AVIV 03786

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ACTION: ECON

INFO: IPSC SCI IMO CONS RES POL DCM AMB AID ADM FCS

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DISSEMINATION: ECON

CHARGE: PROG

APPROVED: ECON: JWITOW DRAFTED: ECON: RRUFFER

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INFO RUEHXK/ARAB ISRAELI COLLECTIVE PRIORITY

UNCLAS SECTION 01 OF 02 TEL AVIV 003786

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E.O. 12958: N/A

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SUBJECT: GOI ISSUES TENDERS FOR 854 HOUSINGS UNITS TWO WEEKS

- 11. (U) As reported septel, the Israel Lands Authority (ILA) and the Ministry of Construction and Housing (MOCH) on Thursday, September 21, issued three tenders in Ha'aretz for construction in settlements in the West Bank. The first is a tender to build 20 units on ten plots in the Central Hill district of Qarnei Shomron settlement in the Ariel bloc. The plots have an area of 5,450 square meters combined. The minimum price is NIS 22,000, approximately \$5,000, and the expenditure for development is NIS 1,532,704, or \$350,000. The plots of land can be leased for 98 years, with an option to extend for an additional 98 years, and the deadline for bids is November 15, 2006. According to press, there are currently 6,635 people registered in the Qarnei Shomron settlement. The head of the local council, Herzl Ben-Ari was quoted as welcoming the tender, but hoping "that it is only the opening shot for other tenders."
- 12. (U) The second tender is for construction of 88 units on four sites in Ariel settlement. Two of the sites are 2,760 square meters, and the other two sites are 3,900 square meters. The minimum price for the smaller sites is NIS 42,000, close to \$10,000, and the minimum price for the larger sites is NIS 60,000, or \$13,800. The expenditures for development of the smaller sites are NIS 895,000 and NIS 900,000, or \$206,000 and \$207,000, respectively. The expenditure for development of the two larger sites are NIS 1.7 million each, approximately \$390,000. The land can be leased for 98 years, with an option to extend for an additional 98 year, and the deadline for bids is also November 15. According to press, there are currently 17,652 people registered in Ariel.
- 13. (U) The third tender is for construction of 56 housing units on two plots in the Givat Tal neighborhood of Alfei Menashe settlement, near Qalqilya. The combined area for construction is 7,615 square meters, with a minimum price of NIS 774,000, or \$178,000, and an expenditure for development of NIS 3,657,222, approximately \$841,000. Bids are due on

- 14. (U) The ILA and the MOCH on September 4 issued a tender in Ha'aretz for the construction of a total of 342 housing units on six sites in the religious B2 area of Beitar Illit settlement in the Gush Etzion bloc. The ILA and MOCH today re-issued the tender for 308 out of the 342 housing units with lower minimum prices as follows:
- -- Site 1: 72 units on 10,080 square meters with an expenditure for development of NIS 4,456,135, approximately \$1,000,000. The minimum price was reduced from NIS 1,760,800 (\$405,000) to NIS 1,060,000 (\$244,000).
- -- Site 2: 88 units on 12,322 square meters and 425 square meters for commerce with an expenditure for development of NIS 6,590,077, approximately \$1.5 million. The minimum price was reduced from NIS 2,278,500 (\$524,000) to NIS 1,710,000 (\$393,000).
- -- Site 3: 44 units on 6,610 square meters and 425 square meters for commerce with an expenditure for development of NIS 2,982,226, approximately \$686,000. The minimum price dropped from NIS 2,509,760 (\$577,000) to NIS 1,150,000 (\$264,000).
- -- Site 4: 80 units on 11,200 square meters with an expenditure for development of NIS 5,260,198, approximately \$1.2 million. The minimum price fell from NIS 1,958,410 (\$450,00) to NIS 1,175,000 (\$270,000).
- -- Site 5: 24 units on 3,360 square meters with an expenditure for development of NIS 1,717,839, or \$395,000. The minimum price was reduced from NIS 690,680 (\$159,000) to NIS 415,000 (\$95,000).
- $\P5$. (U) Site 6 remains the same, with 34 units covering an area of 6,800 square meters. The expenditure for development is NIS 3,019,975 (\$695,000) and the minimum price is 1,120,000 (\$257,000). The development contract is for 36 months, and bids are due on October 31, 2006.
- 16. (U) The tender that appeared on September 4 for construction 348 housings units in the 07 neighborhood of Ma'ale Adumim remains unchanged. The 348 units are divided among five sites:
- -- Site 1: 32 units on four plots totaling 4,480 square meters. The expenditure for development is NIS 6,105,212 (\$1.4 million) and the minimum price is NIS 1,160,000 (\$267,000).
- -- Site 2: 96 units on six plots totaling 13,440 square meters. The expenditure for development is NIS 14,706,556 (\$3.4 million) and the minimum price is NIS 2,738,000 (\$629,000).
- -- Site 3: 98 units on six plots totaling 13,720 square meters. The expenditure for development is NIS 14,403,128 (\$3.3 million) and the minimum price is NIS 2,871,000 (\$660,00).
- -- Site 4: 52 units on 16 plots totaling 7,664 square meters. The expenditure for development is NIS 11,125,128 (\$2.6 million) and the minimum price is NIS 2,251,500 (\$518,000).
- -- Site 5: 70 units on six plots totaling 9,800 square meters. The expenditure for development is NIS 11,133,169 (\$2.6 million) and the minimum price is NIS 2,134,000 (\$491,000).
- An additional tender appeared in Ha'aretz today for the completion of pavement and gardening of streets, and for construction of a 2,000-cubic meter swimming pool in the 07 neighborhood.

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